

## Message Text

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ACTION EB-07

INFO OCT-01 AF-06 ARA-06 EA-07 EUR-12 NEA-10 IO-10 ISO-00

FEA-01 AGR-05 CEA-01 CIAE-00 COME-00 DODE-00 FRB-03

H-02 INR-07 INT-05 L-03 LAB-04 NSAE-00 NSC-05 PA-01

AID-05 CIEP-01 SS-15 STR-04 TAR-01 TRSE-00 USIA-06

PRS-01 SP-02 OMB-01 OIC-02 /134 W  
----- 066995

R 101415Z OCT 75

FM USMISSION GENEVA

TO SECSTATE WASHDC 6248

INFO AMEMBASSY BUCHAREST

AMEMBASSY BUDAPEST

AMEMBASSY WARSAW

USMISSION EC BRUSSELS

USMISSION OECD PARIS

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E.O. 11652: N/A

TAGS: GATT ETRD PL

SUBJECT: GATT WP ON TRADE WITH POLAND

REF: STATE 235933

SUMMARY. POLAND PRESSED FOR TERMINAL DATE FOR DIS-  
CRIMINATORY QRS AND HAD STONG SUPPORT FROM NUMBER OTHER  
CPS. EC REFUSED TO GO ALONG, HOWEVER, AND NO  
DECISION REACHED. QUESTION OF POSSIBLE POLISH TARIFF  
NOT RAISED. END SUMMARY.

1. POLISH REP (JODKO) OPENED MEETING WITH STANDARD  
POLISH PITCH THAT IT HAD FULLY MET ITS COMMITMENTS  
UNDER ACCESSION PROTOCOL AND URGED THAT REMAINING  
DISCRIMINATROY QRS MAINTAINED BY EC AND FEW OTHER  
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EUROPEAN CPS BE PROMPTLY ELIMINATED. JAPAN, U.S.,

CANADA, AUSTRALIA, HUNGARY, CZECHOSLOVAKIA SUPPORTED. SWEDEN REPORTED THAT IT HAD PHASED OUT NUMBER OF QRS BUT CERTAIN HARD-CORE ITEMS SUCH AS TEXTILES, SHOES, CHINAWARE, REMAINED COVERED. THESE APPLY EQUALLY TO ALL SOCIALIST COUNTRIES OF EUROPE AND ASIA. SWITZERLAND REPORTED IT HAD NO DISCRIMINATORY QRS. AUSTRIA REPORTED ITS ELIMINATION OF DISCRIMINATORY QRS AT BEGINNING OF 1975 HAD NOT CAUSED ANY PROBLEMS. (LATER IN THE DISCUSSION EC INSINUATED AUSTRIA HAD WORKED OUT SPECIAL PRIVATE EXCHANGE CLAUSE PROCEDURES WITH POLAND.) NORWAY REPORTED IT HAD ABOLISHED ONE QR SINCE LAST REVIEW, AND IT CONSIDERED THIS FULFILLED ITS OBLIGATIONS. EC REPORTED THAT IT HAS LIBERALIZED SOME ITEMS SINCE LAST REVIEW AND THAT REMAINING QRS HAD BEEN EXPANDED 15-20 PERCENT ON AVERAGE. EC ACKNOWLEDGED, HOWEVER, THAT PACE OF LIBERALIZATION VERY SLOW AND LARGE NUMBER OF ITEMS COVERED IN ONE OR MORE EC COUNTRIES. ARGUED THAT IT COULD NOT ACCEPT TARGET DATE TO COMPLETELY ELIMINATE QRS BECAUSE OF (1) RECESSION IN EC, (2) FAILURE OF POLAND TO RESPOND TO EC'S PROPOSAL FOR SPECIAL TRADE AGREEMENT, AND (3) POLISH EXPORT SUBSIDIES. ON LATTER POINT EC REP STATED THAT 1975 POLISH BUDGET CONTAINED LARGE ITEM (ABOUT 7 PERCENT OF TOTAL POLISH BUDGET) FOR EXPORT SUBSIDIES. POLISH RE RESPONDED THAT BUDGET ITEM WAS ACTUALLY FOR IMPORT SUBSIDIES. EC REP EXPRESSED DISBELIEF ABOUT ACCURACY OF POLISH RESPONSE. U.S., JAPAN, CANADA SUPPORTED POLISH VIEW THAT EC RATIONALE FOR MAINTAINING DISCRIMINATORY QRS INADEQUATE. JAPAN POINTED OUT AHT EC ECONOMY WAS NOT ONLY ONE UNDERGOING RECESSION. U.S. NOTED THAT POLISH ACCESSION PROTOCOL HAD SPECIAL PROVISIONS FOR CONSULTATION AND ACTION IN CASES WHERE IMPORTS WERE CAUSING SPECIAL PROBLEMS. EC RESPONSE WAS THAT IT WAS EASY FOR DISTANT COUNTRIES SUCH AS U.S., CANADA, JAPAN, AUSTRALIA TO PRESS FOR LIBERALIZATION BUT THE COUNTRIES CLOSE TO POLAND SUCH AS EC, NORWAY, SWEDEN IN MORE SENSITIVE POSITION.

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2. U.S. AND CANADA CRITICIZED INADEQUACY OF EC STATISTICAL SUBMISSION. EC RESPONDED THAT ACCESSION PROTOCOL DID NOT OBLIGE IT TO MODIFY INFORMATION ON QRS ON COUNTRY-BY-COUNTRY BASIS. IN ANY CASE INFORMATION WAS AVAILABLE IN EC OFFICIAL JOURNAL WHICH PUBLICLY AVAILABLE.

3. WHEN EC INTRODUCED SUBSIDY ISSUE, INITIAL POLISH REACTION WAS THAT IT WOULD BE INAPPROPRIATE FOR WORKING PARTY TO REVIEW OVERALL WORKINGS OF POLISH ECONOMY. CZECH REP SUPPORTED THIS VIEW, SAYING THAT SUBJECT RAISED BY COMMUNITY WAS POLISH INTERNAL FINANCIAL MATTER. US AGREED WITH POLAND THAT OVERALL REVIEW OF POLISH ECONOMIC SYSTEM BY WORKING PARTY WOULD NOT BE IN ORDER, BUT STATED WE CONSIDERED MATTER RAISED BY EC DIRECTLY RELATED TO POLISH-CP TRADE RELATIONS AND WAS GERMANE TO WORK OF WP. POLAND SUBSEQUENTLY DISCUSSED EC POINT BRIEFLY BUT WITHOUT FIVING VERY DETAILED OR CONVINCING RESPONSE.

4. DISCUSSION OF TRADE TRENDS REVEALED GENERAL SATISFACTION AT IMPRESSIVE GROWTH OF TRADE IN BOTH DIRECTIONS BETWEEN POLAND AND CPS. NO ONE QUESTIONED POLAND'S CLAIM TO HAVE MET ITS IMPORT COMMITMENTS UNDER ACCESSION PROTOCOL.

5. WORKING PARTY WILL HOLD FINAL MEETING OCTOBER 20 TO APPROVE REPORT. ABRAMS

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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** TRADE, POLICIES, COMMITTEE MEETINGS, MEETING PROCEEDINGS, TARIFF NEGOTIATIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 10 OCT 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** CunninFX  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
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**Type:** TE  
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